



## Filing Receipt

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## Comments of Public Citizen

### Before the Public Utilities Commission of Texas

### PUC docket 51840

#### Summary of comments

The proposed rules fail to solve the reliability problems we saw last winter.

They address the hardware issues but fail to address the fuel supply issues which caused 12- 20% of the operational issues during the freeze

A February 25, 2021 report by the Energy Information Administration (EIA), Texas natural gas production fell by almost half during Winter Storm Uri – from 21.3 billion cubic feet per day (Bcfd) during the week ending February 13, to about 11.8 Bcfd

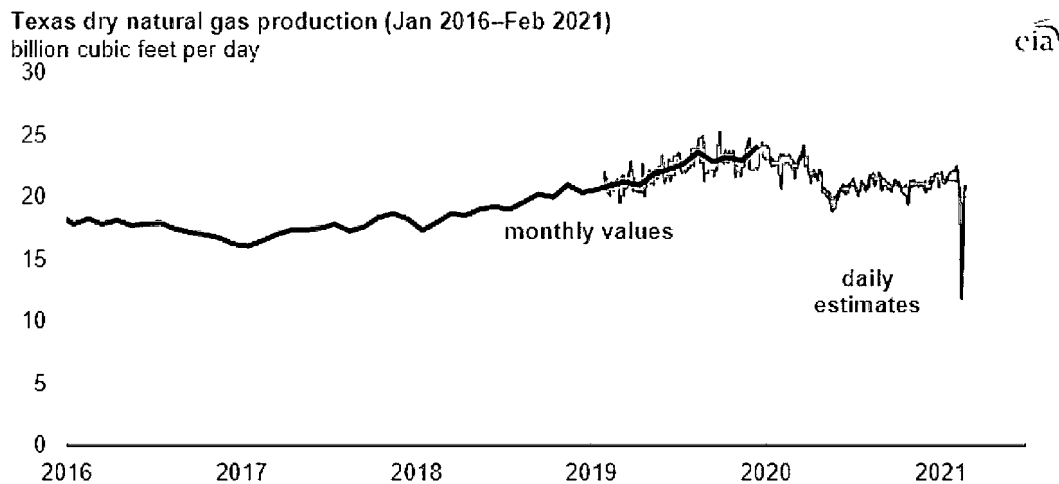


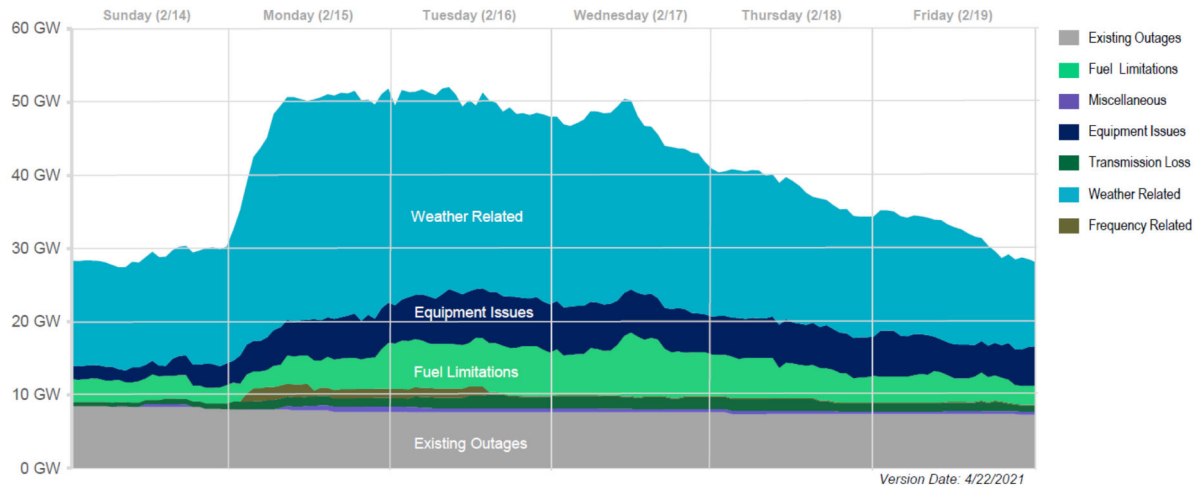
Figure 2.q. Texas Dry Gas Production through Jan 2016 – Feb 2021 (Source: EIA)

The EIA further notes:

The decline in natural gas production was mostly a result of freeze-offs, which occur when water and other liquids in the raw natural gas stream freeze at the wellhead or in natural gas gathering lines near production activities. Unlike the relatively winterized natural gas production infrastructure in northern areas of the country, natural gas production infrastructure, such as wellheads, gathering lines, and processing facilities, in Texas are more susceptible to the effects of extremely cold weather.<sup>1</sup>

## Net Generator Outages and Derates by Cause (MW)

February 14 – 19, 2021



Net generator outages at the beginning of each hour on February 14-19, 2021, by cause category.



ii

Cooling water temperature issues have led to derating of coal and nuclear plants in the last decade and that is likely to have a significant impact on the reliability of thermal plants with climate change.

While the PUC doesn't control the weatherization standards for the coal and gas supply chains, they can modify the market price to reward plants that have:

- On site storage
- A winterized gas supply chain
- back up fuel supplies on sites,
- weather protected coal piles

The PUC and ERCOT should develop a pricing structure to reward those resources with enhanced weather reliability standards

### Specific comments

add to c pg. 4

These scenarios must include, at a minimum, parameters for high and low temperatures, wind, humidity, precipitation, cooling water temperature and duration.

Add to (d)

(2) Enhanced weather reliability service standards: A generation entity may elect to maintain weather preparation measures that reasonably ensure its resource can provide service at the resource's applicable rated capability as defined by ERCOT under the 98th percentile of each of the extreme weather scenarios specified in the weather study approved by the commission under subsection (c) of

this section. A resource that qualifies for this standard must have one or more of these: on site storage; a winterized gas supply chain; back up fuel supplies on site; weather protected coal piles

Add to (h) (1)

The administrative penalty must exceed the cost of compliance with weatherization standards

Add to (m) (1)

The administrative penalty must exceed the cost of compliance with weatherization standards

Add a new g and renumber

ERCOT shall develop a dispatch protocol that gives preference to generating facilities that meet the enhanced weather reliability standards.

Respectfully,

Adrian Shelley

Public Citizen's Texas office director

Tom "Smitty" Smith

Former Director of Public Citizen's Texas Office

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<sup>1</sup> Texas natural gas production fell by almost half during recent cold snap - Today in Energy - U.S. Energy Information Administration (EIA) <https://www.eia.gov/todayinenergy/detail.php?id=46896> cited in <https://energy.utexas.edu/sites/default/files/UTAustin%20%282021%29%20EventsFebruary2021TexasBlackout%2020210714.pdf> pg 42

**" Update to April 6, 2021 Preliminary Report on Causes of Generator Outages and Derates During the February 2021 Extreme Cold Weather Event**

ERCOT Public April 27, 2021